



State of Washington

## AFFORDABLE HOUSING ADVISORY BOARD

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Faith Pettis  
Board Chair

Tiffany Speir  
Residential Construction Industry

Vacant  
Residential Construction Industry

Bryan Friend  
Mortgage Lending Industry

Michael O'Rourke  
Mortgage Lending Industry

Wanda Coats  
Real Estate Sales Profession

Connie Devaney  
Apartment Management & Operation  
Industry

Joel Ing  
For-Profit Housing Development

Kevin Grossman  
For-Profit Rental Housing

Tory Laughlin Taylor  
Non-Profit Housing Development

Dixon McReynolds III  
Homeless Shelter Operations

Shaw Seaman  
Special Needs Populations

Joe Ingram  
Low Income Housing

Mike Adolfae  
At-Large/General Public

Chris Pegg  
Public Housing Authorities

Obie O'Brien  
Counties, Eastern WA

Andree Harland  
Counties, Western WA

Teresa Overhauser  
Cities, Eastern WA

Lauren Walker  
Cities, Western WA

David Stillman  
Ex-Officio, Dept. of Social & Health  
Services

Kim Herman  
Ex-Officio, Housing Finance Commission

Dan McConnon  
Ex-Officio, Dept. of Commerce

### **BOARD MEETING SUMMARY** **Thursday, September 11, 2014** **10:00am to 2:00pm** **Red Lion Hotel – SeaTac, WA**

#### **ATTENDANCE**

Faith Pettis, Kim Herman, Dan McConnon, Joe Ingram, Shaw Seaman, Tiffany Speir, Joel Ing, Andree Harland, Tory Laughlin Taylor, Connie Devaney, Wanda Coats, Mike Adolfae and Lauren Walker.

#### **COMMERCE STAFF**

Kendee Yamaguchi, Cary Retlin, Jeff Wilson, and Cherish Rahikainen.

#### **GUESTS**

Jeanette McKague, Washington Realtors  
Paul Purcell, Beacon Development Group

#### **INTRODUCTIONS AND CONFIRMATION OF AGENDA** **Faith Pettis**

Faith summarized the agenda.

#### **APPROVAL OF MINUTES**

The July 2014 meeting summary was approved.

#### **INDUSTRY UPDATE AND VIEWPOINT: REAL ESTATE SALES**

As a way to educate ourselves and share industry viewpoints and activities, Faith has asked each Board member to volunteer to speak in front of the Board. This will create a better understanding of each other's housing agendas and allow us an opportunity to show support, discuss concerns and/or voice opposing views. We will circulate a sign-up sheet along with the 2015 meeting dates at our December meeting. Please plan on presenting in the future.

Wanda Coats and Jeanette McKague presented on the real estate industry.

Wanda has over 25 years' experience in management, as a broker and licensed real estate agent. Realtors are part of a trade organization and live in communities throughout the state – rural and urban, large and small. They work and serve to help build their communities as places that provide for the needs of the residents for housing affordability and home ownership, economic development, schools, parks, transportation infrastructure and a healthy environment. They also are interested in capital facility issues, water, and building and energy codes.

The Tacoma-Pierce County Association of Realtors is over 100 years old and includes over 1,350 residential and commercial members. There are about 16,000 realtors statewide and over one million nationwide.

Their work is driven by members and dues. They work together to address stakeholders wants and needs; for example, business and licensing issues and member liability. They also partner with the WSHFC to stay educated on first time homebuyer resources, and provide foreclosure counseling and down payment assistance.

Their focuses are:

1. Professional Standards – Code of ethics
2. Education – Industry knowledge and competency
3. Political advocacy

Currently, the Realtors do not have an agenda for the 2015 legislative session. They are working with the Department of Licensing on business items.

### **INDUSTRY UPDATE AND VIEWPOINT: SPECIAL NEEDS POPULATION**

Shaw Seaman is part of a team at the Department of Social and Health Services that addresses the special needs population. Their focus is integrating people with disabilities into our communities, including housing, vocational programs, in-home care, family and support services, and the aging population.

Typically, the Housing Trust Fund has a set aside of \$5 million for the special needs population. These projects depend heavily on funding from Commerce and the Legislature to allow this population to get out of substandard housing.

It is difficult to create affordable homes for this population while staying cost-effective, since many projects require experienced housing developers and accommodations such as wheelchair ramps, low countertops, custom design, and are ADA compliant throughout. Other barriers include meeting the individual mental and physical health needs of each client. The average daily rate for an adult family home is \$55-60/day per person.

Currently, their program has 40,000 developmentally disabled individuals enrolled. Of those, about 950 are in state institutions.

### **GROWTH MANAGEMENT**

#### **Recommended Updates to the 2006 Growth Management / Housing Task Force Report**

Paul Purcell has been appointed as Chair of the Growth Management / Housing Task Force subcommittee. The group participated in a conference call to clarify the purpose of the group, membership and next steps.

The group will thoroughly review the [Growth Management / Housing Task Force report](#) published in 2006 and come up with a workable, broadly supported agenda for the 2015 legislative session.

The team will convene three 3-hour meetings between now and the end of November. Recommended participants include: members from the Board, Commerce, WSHFC, Master Builders, Forterra, Cities, Puget Sound Regional Council, Futurewise, Washington Chapter American Planning Association, Building Industry Association of Washington, Association of Washington Businesses, Beacon Development Group, Tacoma-Pierce County Realtors, Tacoma City Council, Washington Association of

Counties, Association of Washington Cities, Housing Development Consortium and the Washington Low-Income Housing Alliance.

Recommendations will be presented at the December Board meeting. Commerce is committed to considering Board recommendations and has dedicated appropriate staff time to try to push agreed upon policy issues forward.

### **ANNUAL REPORT**

Cary Retlin is the lead on the 2014 Affordable Housing Advisory Board annual report to the Legislature. He has asked for member assistance with capturing progress. In the past, this annual update has been heavily Commerce and WSHFC focused. We would like to broaden the report to include more sector/industry based achievements as well as missed opportunities, opportunities for change and challenges. Please send your ideas to [Cary](#). He will circulate a draft for comments and the final will be voted on at the December 3<sup>rd</sup> Board meeting.

### **COMMERCE UPDATE**

#### **Budget and Decision Packages**

Commerce is preparing for a large budget shortfall. We are working to finalize a reduced decision package that equals 15 percent of our General Fund State carry-forward (maintenance) funding level, resulting in a zero increase budget. Decision packages are due to OFM by September 19. It will be available to the public shortly after. You can expect to see reductions to housing programs including the Housing and Essential Needs Program due to case load and declined eligibility. If these numbers increase, independent data could support an adjustment in the supplemental budget.

However, the Department is putting forward efforts to offset these cuts. The largest decision package Commerce submitted is focused on homeless programs and the Governor's emphasis on housing the 27,000 homeless school children that were reported in 2013 by the Office of Superintendent of Public Instruction. This sizeable package will expand Washington's network of homeless providers to address this issue. Another package addresses the need to maintain growth management capacity.

On the Capital budget side, we have asked for support for the Housing Trust Fund and Maintenance and Operations, Public Works Board, as well low income weatherization and a small amount for energy efficiency equaling a total of \$200 million.

### **AFFORDABLE HOUSING NEEDS STUDY REVIEW**

Faith and the housing needs study subcommittee have engaged with the consultants numerous times over the last several weeks. They are working to address issues related to sources of data for different elements of the study. The team has had to make decisions that result in trade-offs of information and will try to offset those trade-offs by footnoting the report where appropriate. It will take additional time to produce the final report we want.

We anticipate the gap analysis and inventory by September 17<sup>th</sup>, in time for Housing Washington, and the executive summary and balance of the report (six chapters) on October 13<sup>th</sup>.

The team is continuing their work on the rollout of the study and communication.

## **SUBCOMMITTEE AND OTHER REPORTS**

### **State Advisory Council on Homelessness (Joe Ingram)**

Joe Ingram provided the Board with an update from the State Advisory Council on Homelessness. The group met in July and centered their conversation on the decreasing document recording fees and the state plan to end homelessness. They also heard from the Governor's Office on the consideration of creating a Youth Homelessness Office, focused on creating a safety net for children (up to 24 years old) coming out of foster care. The efforts would include increased accessibility to education, workforce development and mental health programs.

Lael Duncan, Executive Director of Okanogan County Community Action Council was appointed as the new SACH chair.

### **Other General Reports**

Kim Herman shared the WSHFC's success with its Home Advantage Program. This summer, the Commission celebrated its 50,000<sup>th</sup> homebuyer served across the state. Down payment assistance and education is a key component of the Commission's home-loan programs, which are provided through trained lenders throughout Washington. Kim reported August 2014 to be the best month so far, with over \$70M in loans awarded and 380 families served. They hope to see this incline continue.

## **CLOSING REMARKS**

The next Board meeting is scheduled for December 3<sup>rd</sup> and will focus on the Growth Management subcommittee's recommendations, legislative assembly days and the Affordable Housing Needs Study.

## **MEETING ADJOURNED 1:35pm**

**Next Meeting:**            **Wednesday, December 3, 2014**  
                                 **10:00am to 1:00pm**  
                                 **Olympia, WA**